

# Grantmaking and Foundations for Latin America and the Caribbean (2010-2012)

Van Evans

*Council on Foundations*

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**Abstract:** Most Latin American countries continue with high GDP growth rates amid the global financial crisis. While the nonprofit sector in these countries is among the smallest in the world, these nations are on the cusp of significant philanthropic transformation. This is due, in part, to a rising middle class, technology connecting more citizens and improving distribution of resources, and increasing corporate social responsibility. Excluding perhaps Cuba, the region has the greatest disparity of income in the world, and while U.S. foundations and government agencies have historically sustained the region's development, local foundations and public charities should continue to do more to assume responsibility for local philanthropic needs. This paper gives an overview of grantmaking by U.S. and foreign foundations in Latin America and the Caribbean (LAC) by recipient country and by thematic category. It delineates between Council on Foundation members and non-members who have a significant presence in the region. This paper also provides data, where available, of registered public charities and foundations in Mexico, Brasil, Colombia, Peru, Argentina, and Chile. Data can be used to improve collaboration among Council members, recruit non-members who are active in the region, and to identify trends in particular countries.

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## Introduction

One effect of globalization is the economic growth of Latin American nations and their improving Human Development Index, an index that ranks individual wellbeing and standards of living for countries worldwide (UNDP 2010). As the Human Development Index increases for a country, a rise in philanthropy would be expected to follow, as more time and disposable income become available. In recent decades, the majority of development in the nonprofit sector in much of Latin America and the Caribbean (LAC) has been the entrance of external international nongovernmental organizations (INGOs) in areas of relief, health, agriculture, and so forth. Religion and education continue to be the largest portions of the small nonprofit sector in Latin American countries, but attention is now being given to grassroots developments of the sector in the region (Salamon, et al. 1999). Albeit comparatively small, institutional secular philanthropy has grown significantly in the past 15 years. For example, the Inter-American Development Bank holds an annual conference for Latin American business leaders on social engagement, and attendance has tripled since 2002 (Watson 2008). Increases in profits and corporate social responsibility have spawned private and corporate foundations in the region (Johnson 2011). According to the 2012 World Wealth Report, Latin America had the highest percentage of ultra-High Net Worth Individuals (HNWI) at 2.4 percent compared with the global average of 0.9 percent, plus HNWI's grew by 5.4 percent since 2011 (Capgemini 2012). In LAC, the top 20 percent earn 15 times the bottom twenty percent. In the most unequal countries, like Brazil and Guatemala, the ratio is about 30:1.<sup>i</sup> By comparison, the countries with the most equal ratios (between 4 and 5:1), are Cuba, Taiwan, and Sweden. According to the GINI index, which ranks inequality of income, 14 of the top 20 countries of inequality are in LAC. It is hoped that family and independent foundations will emerge as a legacy, although this has not been the case historically.

## Global Philanthropy Directory

According to the Council on Foundation's Global Philanthropy Directory, there are 111 U.S.-based Council members with LAC activity, eleven of which specify the country and seven of the eleven do work in Mexico. Beyond work in the U.S., only two work exclusively in Latin America (i.e. Mexico). They are Paso del Norte Health Foundation and the Atkinson Foundation. Of the 67 non-U.S.-based Council Members listed in the Global Philanthropy directory, seven are based in Canada or Europe and have projects or offices in LAC. An additional thirteen members have their main headquarters in LAC. Table 1 shows the distribution of non-U.S.-based Council Members (plus the two noted above that work exclusively in Mexico), their base, the countries or regions they work in, plus whether or not their work is focused exclusively in LAC. Findings show that Canadian and European foundations favor Central American and Andean countries, while Caribbean foundations almost exclusively stay within their own region. U.S. foundations, as we shall see below in Maps 1 and 2, favor Mexico and Brasil, although grants are made across the region. The AVINA Foundation, based in Panama, has the broadest reach across the region, working in 13 countries in Central and South America.

**Table 1. Distribution of non-U.S.-based Council Members who grant to and work exclusively in LAC.**

| Council Member                                  | Based       | Exclusive LAC | Geographic Focus |                 |           |        |          |      |         |         |               |
|---|-------------|---------------|------------------|-----------------|-----------|--------|----------|------|---------|---------|---------------|
|   |             |               | Mexico           | Central America | Caribbean | Brasil | Colombia | Peru | Ecuador | Bolivia | Southern Cone |
| Paso del Norte Health Foundation                | U.S.        | X             | X                |                 |           |        |          |      |         |         |               |
| Atkinson Foundation                             | U.S.        | X             | X                |                 |           |        |          |      |         |         |               |
| HIVOS   | Netherlands |               |                  | X               |           |        | X        | X    | X       | X       |               |
| MasterCard Foundation                           | Canada      |               |                  | X               | X         |        |          | X    | X       |         |               |
| One Drop Foundation                             | Canada      |               |                  | X               | X         |        |          |      |         |         |               |
| Syngenta Foundation for Sustainable Agriculture | Switzerland |               |                  | X               |           | X      |          | X    |         |         |               |
| Bernard van Leer Foundation                     | Netherlands |               | X                | X               | X         | X      | X        | X    |         |         |               |
| Cedar Foundation                                | Canada      | X             | X                |                 |           |        |          |      |         |         |               |
| Charities Aid Foundations                       | England     |               |                  |                 |           | X      |          |      |         |         |               |
| Associacao Paulista de Fundacoes                | Brasil      | X             |                  |                 |           | X      |          |      |         |         |               |
| AVINA Foundations                               | Panama      | X             |                  | X               |           | X      | X        | X    | X       | X       | X             |
| CRUSA Foundation For Cooperation                | Costa Rica  | X             |                  | X               |           |        |          |      |         |         |               |
| Fundacion Miguel Aleman, A.C.                   | Mexico      | X             | X                |                 |           |        |          |      |         |         |               |
| Environmental Foundation of Jamaica             | Jamaica     | X             |                  |                 | X         |        |          |      |         |         |               |
| Falconbridge Foundations, Inc.                  | D.R.        | X             |                  |                 | X         |        |          |      |         |         |               |
| Fondation SOGEBANK                              | Haiti       | X             |                  |                 | X         |        |          |      |         |         |               |
| GraceKennedy Foundation                         | Jamaica     | X             |                  |                 | X         |        |          |      |         |         |               |
| ICWI Group Foundation                           | Jamaica     | X             |                  |                 | X         |        |          |      |         |         |               |
| National Community Foundation                   | St. Lucia   | X             |                  |                 | X         |        |          |      |         |         |               |
| The TK Foundations                              | Bahamas     |               |                  |                 | X         | X      |          |      |         |         |               |
| U.S. - Mexico Foundation                        | Mexico      | X             | X                |                 |           |        |          |      |         |         |               |
| XL Foundation                                   | Bermuda     |               |                  |                 |           |        | X        |      |         |         | X             |

Source: Global Philanthropy Directory, Council on Foundations, 2011

## Grants

There are three major countries of North America, seven countries of Central America, thirteen countries of South America, and twenty-four countries and territories of the Caribbean or West Indies. The total number of individuals living in these countries is approximately 925 million. If we exclude the U.S. and Canada, there are 45 countries in Latin America and the Caribbean.<sup>1</sup>

According to the Foundation Center, a representation of grants can be calculated for the LAC region for 2010-2012. Table 2 shows percentages of total grants made world-wide and the subset of those grants made only to LAC along with their percentages. While Latin America has eight percent of the world's population, it received 16.5 percent of the grants recorded. Nearly three-fourths (73 percent) of the grants made to LAC were made by Council Members. That percentage rises to 81.7 if we remove the Haiti disaster. As an outlier, contributions to the Haiti disaster significantly affected the percentage of donations in Latin America by Council Members, since a few very large gifts (\$100 million+) were made by non-members.

**Table 2. Percentages and total dollars of grants made to Latin America and the Caribbean, 2010-2012**

| Grants, by numbers                    | Total Count                 | Percent |
|---------------------------------------|-----------------------------|---------|
| Worldwide grants made                 | 12,428                      | 100.0%  |
| Grants made to LAC                    | 2,054                       | 16.5%   |
| Grants made by Council members to LAC | 1,500                       | 73.0%   |
| If we remove Haiti                    |                             | 81.7%   |
| Grants, by dollars                    | Total Grants (in thousands) | Percent |
| Worldwide grants made                 | 3,621,219                   | 100.0%  |
| Grants made to LAC                    | 489,134                     | 13.5%   |
| Grants made by Council members to LAC | 236,815                     | 48.4%   |
| If we remove Haiti                    |                             | 82.8%   |

Source: Foundation Center, July, 2012

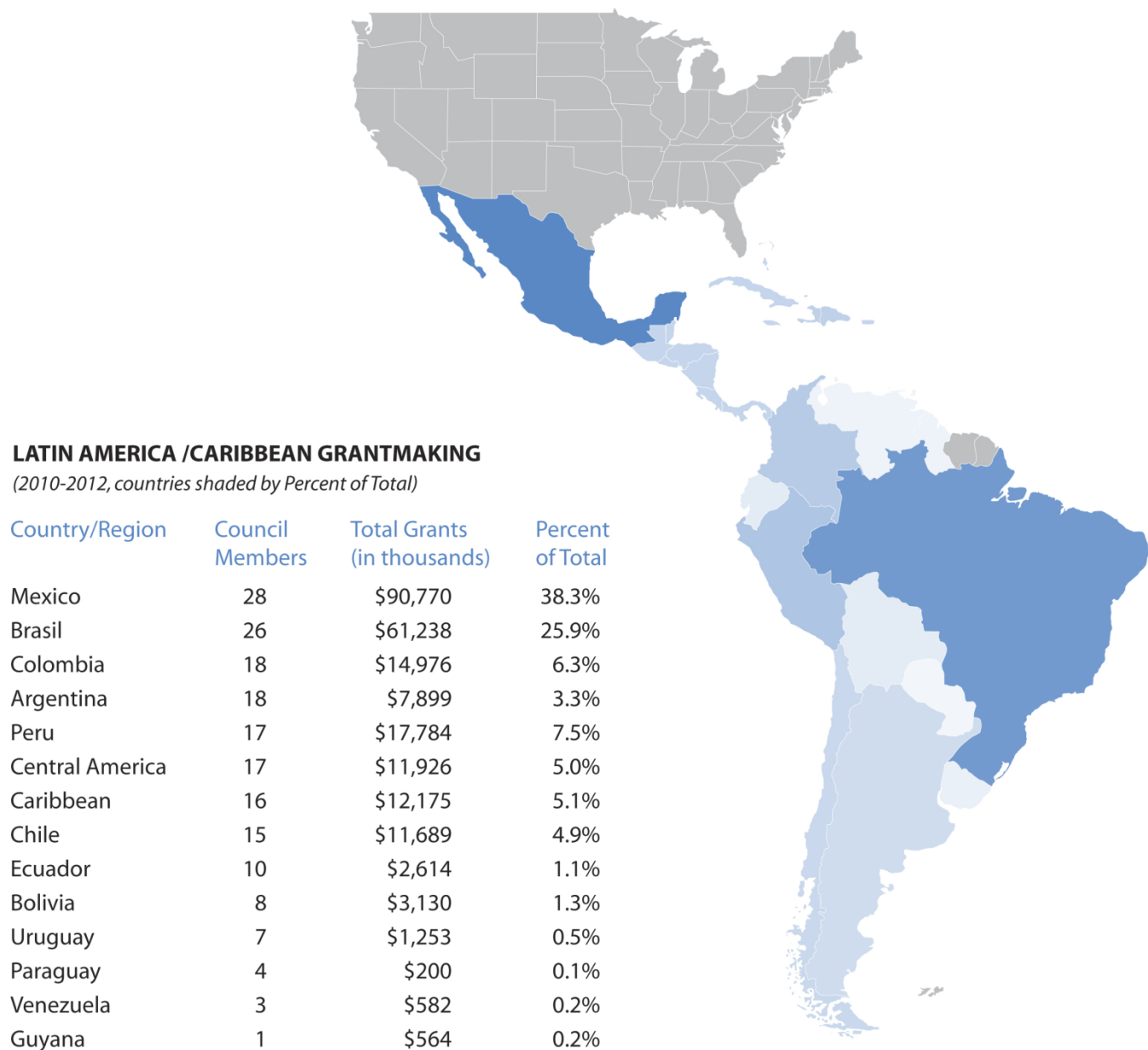
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<sup>1</sup> Puerto Rico and the U.S. Virgin Islands are excluded.

**Geographic Trends – The Top Six Countries**

Map 1 shows the distribution of the percent of total grants made by Council Members each country or region received. According to the Foundation Center, nearly two-thirds (64.2 percent) of all grant dollars went to two countries—Mexico and Brasil. Four other countries, Colombia, Argentina, Peru, and Chile, comprise 22 percent of all grants, and the remaining 13.8 percent is distributed among the remaining 39 countries, although many Caribbean states received no grants whatsoever. Map 2 is sorted by the number of Council Members involved in a country or region and shaded by the Percent of Total dollars granted in a country or region (darker is greater).

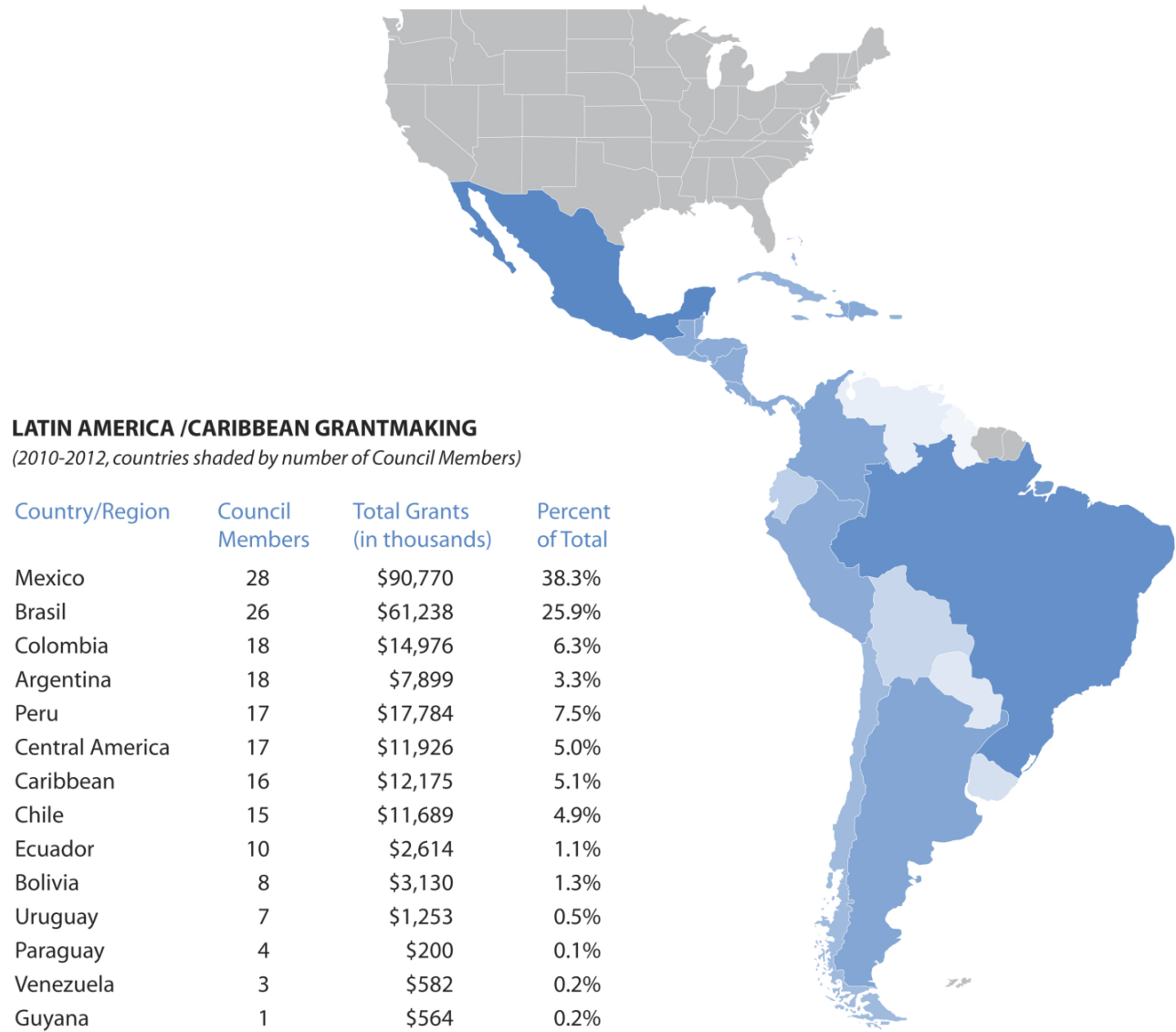
**Map 1. Distribution of Council Members Grantmaking in Latin America and the Caribbean, 2010-2012**



Source: Foundation Center, July 2012

Map 2 shows the distribution of the number Council Members working in each country or region, the total amounts (USD) of grants made by Council Members, and the percentage of the total each country or region received. Map 2 is sorted by the number of Council Members in a country or region and shaded by the number of Council Members in a country or region (darker is greater).

**Map 2. Distribution of Council Members Grantmaking in Latin America and the Caribbean, 2010-2012**



Source: Foundation Center, July 2012

## Thematic Trends – The Top Seven

As noted in the previous section, six countries—Argentina, Brasil, Chile, Colombia, Mexico, and Peru—comprise 86.2 percent of all Council Member grants to LAC from 2010-2012. The other 13.8 percent of grant dollars made are dispersed among the remaining 39 countries in the region. Non-Council Member U.S. foundations also tend to fund these six countries as well (see Recruitment section below). This discussion is limited to these top six countries. Foundation Center’s taxonomy lists 26 “primary subjects” or themes around which grants are made.<sup>2</sup> Of these 26, results show that half (13) of the themes constitute one percent or less than one percent each of grant dollars to these six countries, less so to the remaining 39 countries in the region. In viewing grantmaking trends in LAC, the top seven themes comprise 90 percent of grant dollars’ foci. They are, in order from largest to smallest percentage:

|                               |       |
|-------------------------------|-------|
| International/Foreign Affairs | 23.9% |
| Environment                   | 18.5% |
| Human Rights                  | 16.4% |
| Health                        | 10.7% |
| Education                     | 10.0% |
| Food/Agriculture              | 5.9%  |
| Community Development         | 4.5%  |

Chart 1 shows the distribution by percentages of grants made to the top six countries from 2010-2012. Chart 2 shows the distribution of total dollars made to the top six countries from 2010-2012. Grants for International/Foreign Affairs top the list. This is due to a \$33 million grant by the Bill and Melinda Gates foundation to the International Maize and Wheat Improvement Center in Mexico. This grant may have been miscoded and probably should have appeared under Food/Agriculture, which would have shifted that category to the number 1 position.

After International/Foreign Affairs, the environment was the most popular theme of all grants. Nearly \$44 million was given to preserve the environment in our top six countries. Findings also show that grants for Brasil’s environment comprise a full one third of all grants made to Brasil, as well as 10 percent of all grants made to the entire LAC region. In fact, except for the above mentioned Gates grant and the Haiti disaster, grants made to enhance or preserve Brasil’s Amazon rainforest (\$26.7 million) totaled more than all grant dollars in all combined themes made to any other country in the LAC region, and were nearly equal to the total grant dollars made to the lowest 39 countries in the region combined (\$26.9 million).

The third largest thematic category was that of human rights, totaling \$39 million. Brasil and Mexico each received over \$15 million, and Colombia and Peru received \$2.2 million and 2.9 million, respectively. According to the International Human Rights Funders Group, there are 241 human rights organizations in Brazil, 169 in Mexico, 107 in Colombia, and 104 in Peru. These are by and large recipient organizations.

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<sup>2</sup> Agriculture/Food; Animals/Wildlife; Arts and Culture; Civil/Human Rights; Community Development; Crime/Law Enforcement; Education; Employment; Environment; Health; Health Organizations; Housing/Shelter; Human Services; International/Foreign Affairs; Medical Research; Mental Health/Crisis Services; Other Philanthropy/Voluntarism; Public Affairs; Recreation; Religion; Safety/Disasters; Science; Social Sciences; Unknown; Youth Development

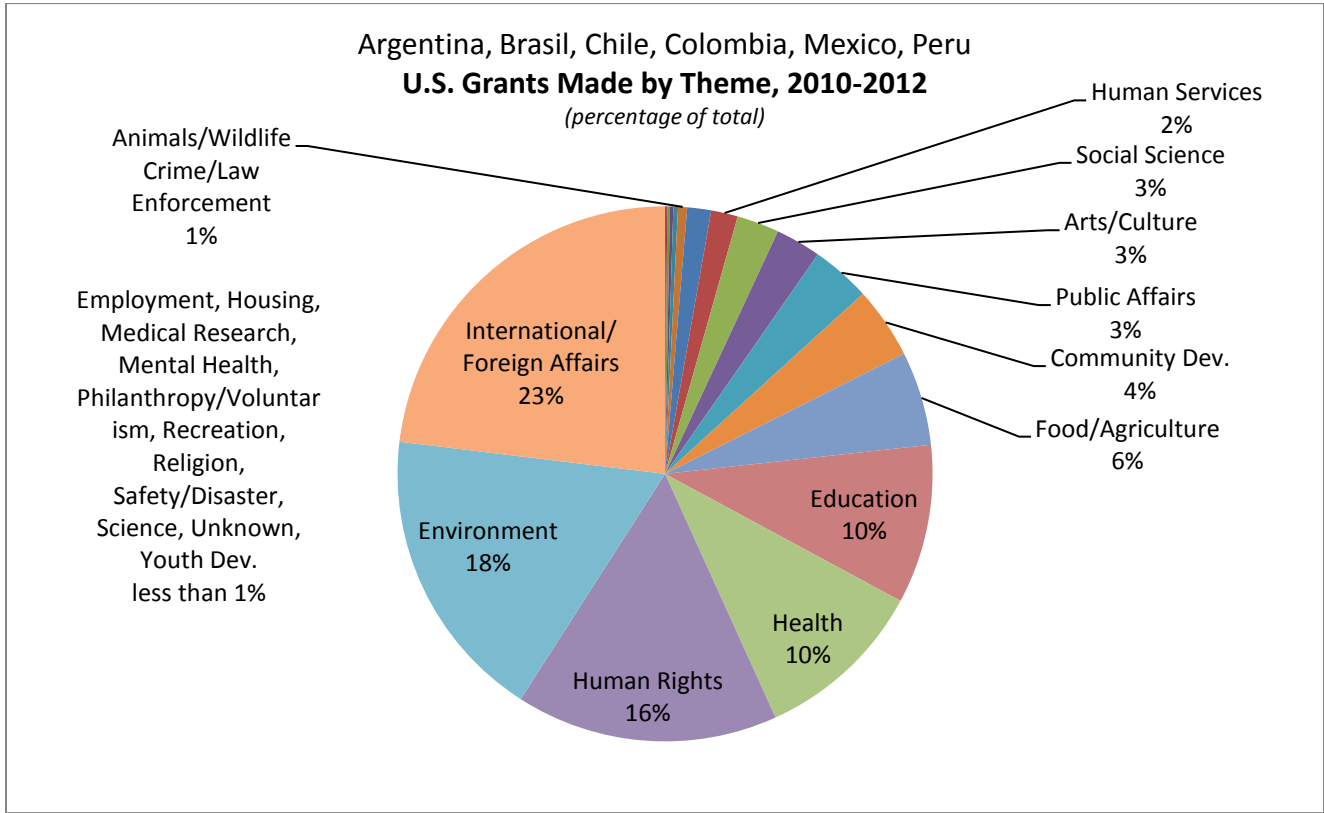
The fourth largest thematic category was health. Mexico received the largest dollar amount, and, as noted above, member foundation Paso del Norte Health Foundation focuses its efforts exclusively on improving health conditions for families along the Northern Mexico / Southern Texas border. Microsoft also made a \$5 million grant to the Mexico Telethon for improving health conditions for Mexicans. The Susan Thompson Buffet Foundation donated \$5.2 million to Colombia’s ESAR foundation for sexual and reproductive health, and the Bill and Melinda Gates Foundation donated more than \$3.1 million to fight tuberculosis in Brasil.

The fifth largest thematic category was education, with Brasil, Mexico, and Colombia the top three recipient destinations. The lion’s share of the \$3 million in grants to Colombia has been donated by technology-related or -established foundations: Silicon Valley Community Foundation, Skoll Foundation (non-member), Microsoft, and Intel. These monies were given to improve primary and secondary education.

The sixth and seventh thematic categories are food/agriculture and community development, totaling \$14 million and \$10.7 million, respectively.

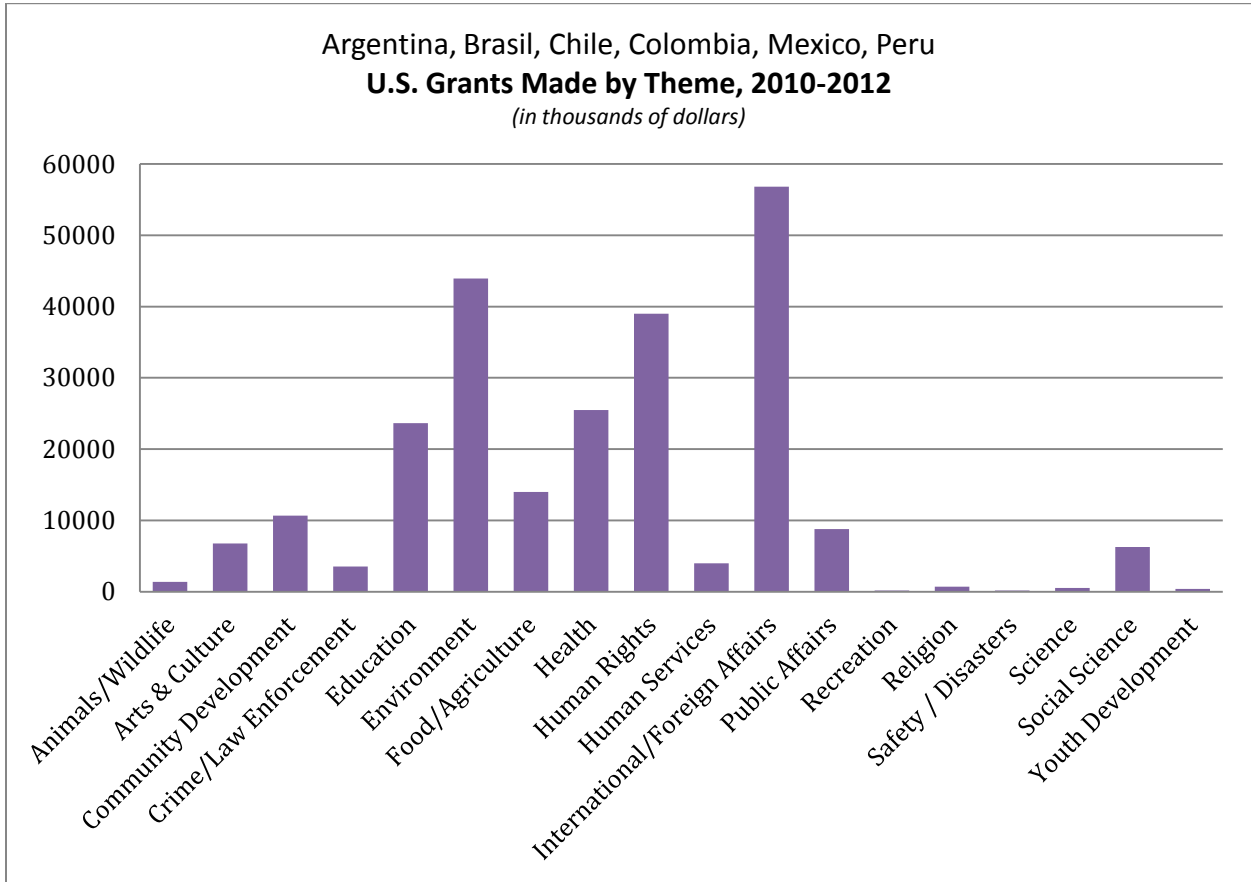
Geographically, European Council Members tend to support Central America, as mentioned earlier, but thematically, they trend toward issues of child and human development, clean water, human rights, and AIDs issues.

**Chart 1. U.S. Council member grants made by theme, 2010-2012**



Source: Foundation Center (2010-2012), July 2012

Chart 2. U.S. Council member grant dollars made by theme, 2010-2012



Source: Foundation Center (2010-2012), July 2012

**Profiles of the Top Six Countries**

The following pages provide a quick profile for each of the top six countries, where data are available. Each country has a unique political and philosophical approach to the sector, but shares a commonality that distinguishes them from U.S. philanthropy. Latin American countries colonized by the Spanish and Portuguese in the 16<sup>th</sup> and 17<sup>th</sup> centuries brought with them deeply rooted Catholic traditions of charity. Compassion and solidarity are evident, but there is a lesser tradition of organized scientific philanthropy, something characteristic of the Protestant-Puritan tradition in the U.S. The following countries are emerging market economies with a growing social conscience among the middle classes and Next Gen executives, and corporate social responsibility is probably the most active channel in the philanthropic sector. It should not surprise us, then, to see that corporate foundations rank among the most prominent nonprofit organizations in all countries profiled, where data are available, both in terms of actual numbers of entities as well as dollar amounts granted.



# Mexico

Population: 112,336,538  
GDP (Billions USD): \$1,185.00  
GDP Growth: 3.8%  
PPP rank:<sup>ii</sup> 81  
Volunteering/Giving as a share of GDP: 0.12%  
Number of Public Charities:



The civil society sector in Mexico is divided into four categories: Religious Associations, Self-benefit Associations, Political Parties and Organizations, and Third-party Service Institutions. Under the latter, there are three sub-categories: Foundations (independent, operating, corporate, community), Operating Associations (such as health, culture, education, etc., that do not have an endowment), and Third Sector Service Institutions (promotion and strengthening of the sector, research, fundraising, etc.). According to the Mexican statistical agency INEGI, the number of associations is as follows:

|                                     |               |
|-------------------------------------|---------------|
| Religious Associations*             | 7,390         |
| Self-benefit Associations           | 8,391         |
| Political Parties and Organizations | 148           |
| Third-party Service Institutions    | <u>20,345</u> |
| Total:                              | 36,274        |

*\*There are approximately 40,954 churches, temples, and community meeting houses.  
Source: Encuesta Nacional a Instituciones sin Fines de Lucro (Inegi, 2010 – cifras preliminares). Para los partidos y asociaciones políticas y religiosas las fuentes han sido SEGOB e INEGI.*

Of these, there are 7004 *Donatarias Autorizadas*, or Authorized Charities, which are the equivalent of the U.S. 501(c)(3) entity. There is no legal distinction for a foundation apart from other authorized charities. To make a grant to another charity, however, the recipient organization must be an Authorized Charity as well. According to the Centro Mexicano para la Filantropia (CEMEFI), as of 2011, of these 7004 Authorized Charities, there are 283 grantmaking foundations in Mexico. Jackie Rivas of CEMEFI estimates that there may be as many as 350 today, if we count corporations with philanthropic programs. According to a CEMEFI survey in 2010, of the 175 respondents, grantmaking foundations were divided as follows:

|                    |          |
|--------------------|----------|
| Corporate          | 47       |
| Corporate Programs | 31       |
| Independent        | 23       |
| Operating          | 22       |
| Community          | 16       |
| Family             | 16       |
| Intermediary       | 15       |
| International      | <u>5</u> |
| Total:             | 175      |

Approximately 56 percent of these foundations have an endowment and 59 percent have some type of formal grantmaking process. Some of the foundations defined as a community foundation are more of a mixed model of operating and grantmaking. These same foundations work in the following thematic categories:

|                                     |     |
|-------------------------------------|-----|
| Arts, Culture, and Leisure          | 47  |
| Human Rights                        | 38  |
| Voluntarism and Sector Intermediary | 36  |
| Social Development                  | 18  |
| Research                            | 10  |
| Health                              | 10  |
| Social Assistance (Welfare)         | 9   |
| Environment                         | 4   |
| Education                           | 3   |
| Total:                              | 175 |

The vast majority, more than 77 percent, of the foundations operate central Mexico (i.e. Distrito Federal, the capital city). Another 20 percent work in the northern part of the country, while the remaining 3 percent work in the south. Foundations have to comply with specific social purposes and state that profits, if earned, will be reinvested in the social purpose. Corporations are permitted to deduct donations for up to 7% of their profits. Legally, there are two different forms of nonprofit societies: *Asociacion Civil* (AC) and *Institucion de Asistencia Privada* (IAP). In English, these would be referred to as Civil Association and Private Assistance Institution, respectively. Table 3 shows the distribution of donations made by AC and IAP foundations in Mexico for 2010, the most recent data year available.

**Table 3. Amounts donated by Mexican foundations during 2010, in U.S. dollars converted on July 25, 2012.**

| Foundation                               | 2010 Grants (USD)    |
|--|----------------------|
| Fundación Gonzalo Río Arronte, I.A.P.    | \$45,333,087         |
| Nacional Monte de Piedad, I.A.P.         | \$23,105,657         |
| Fundación Grupo Lala, A.C.               | \$9,774,883          |
| Fundación Telmex, A.C.                   | \$15,478,558         |
| Fundación Alfredo Harp Helú, A.C.        | \$18,052,780         |
| Asoc Mex de Bancos de Alimentos, A.C.    | \$10,521,887         |
| Becas, Cultura y Estudios, S.C.          | \$8,054,174          |
| Fundación Alfredo Harp Helú Oaxaca, A.C. | \$9,935,966          |
| Fomento Social Banamex, A.C.             | \$6,562,959          |
| Fundación Protección de la Niñez, I.A.P. | \$7,392,724          |
| Fideicomiso F/2001089, Bécalos.          | \$6,753,746          |
| <b>Total:</b>                            | <b>\$160,966,423</b> |

Source: Portal SAT ([portalsat.plataforma.sat.gob.mx](http://portalsat.plataforma.sat.gob.mx)), April 18, 2012.

Obstacles for growth in philanthropy in Mexico are lack of credibility in the sector, and societal mistrust and corruption at high levels.

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## Brasil

Population: 205,716,890  
GDP (Billions USD): \$2,518.00  
GDP Growth: 2.7%  
PPP rank: 101  
Volunteering/Giving as a share of GDP: 0.32%  
Number of Public Charities:



In Brasil, nonprofits are designated as either associations or foundations. An association is a private law entity that joins individuals to a common goal. A foundation is also a private law entity to serve the public interest. Data are not available for the number of nonprofits or foundations in the country.

Brasil is slightly smaller than the U.S. geographically but has two-thirds of the U.S. population. By 2005, Brasil had more than 330,000 foundations and nonprofit associations. About 26 percent were founded within the previous five years and another 41.5 percent were founded from 1991-2000; thus, at least two-thirds of all nonprofits in Brasil today are less than 20 years old. A full 42 percent of these are located in the four main cities of the southeast: Minas Gerais, Espirito Santo, Rio de Janeiro, and Sao Paolo, which also have high population centers as well.

As of 2009, the Grupo de Institutos, Fundações e Empresas (GIFE), an umbrella organization for Brazilian foundations that do development, reported there are more than 125 foundations. A few of these are Brazilian offices of U.S. foundations, such as the Ford Foundation, but since these foundations are limited to grant within Brasil's borders, for our purposes here we will include them as Brazilian foundations. Of these, 10 were independent foundations, 70 were corporate foundations, 8 were family foundations, 4 were community foundations, and 32 were companies (GIFE 2010). Twenty percent are grantmaking and 41.28 percent have a mixed model of grantmaking and operating, while 38.75 percent work on their own projects, loosely defined as an operating foundation. The largest fundraising organizations are by and for social service organizations (i.e. children, poverty, and education).

According to GIFE, of the 102 member foundations that responded to their 2009 survey, organizations operate or make grants in the following thematic areas:

|  |     |
|--|-----|
| Education                                    | 82% |
| Arts & Culture                               | 60% |
| Environment                                  | 59% |
| Employment, Rent, Social Assistance Programs | 52% |
| Health/Fitness/Sports                        | 39% |
| Human Rights                                 | 30% |
| Youth Programs                               | 60% |

One might observe that Brazilian foundations are less focused on the environment and human rights in their own country than are U.S. foundations. As with Mexico, Brasil faces obstacles of distrust in the sector, overall absence of legacy culture for wealthy family foundations, and a modestly challenging tax environment. Brasil's for profit sector has high levels of CSR and is promoting higher levels of voluntarism than other LAC countries. GIFE reports that of the businesses in Brasil, 69 percent or 800,000 have some type of community social action plan.

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## Colombia

Population: 45,239,079

GDP (Billions USD): \$321.50

GDP Growth: 5.7%

PPP rank: 109

Volunteering/Giving as a share of GDP: 0.92%

Number of Public Charities:



Colombia is the third most populous country in Latin America after Mexico and Brasil. It has an active nonprofit sector. Legally, there are four types of nonprofit organizations: associations, foundations, and corporations, and cooperatives. A business in Colombia is referred to as an *empresa*, rather than a corporation. The *cooperativa* has its roots in mutual aid societies. Each of the four is regulated slightly differently. The concept of a community foundation does not exist legally in Colombia, but a recent study by the University of Antioquia in Medellin has revealed a number of foundations that behave like community foundations.<sup>iii</sup> Legislation has made it relatively easy to form philanthropic institutions, but a history of corruption, money laundering, and drug-trafficking in the country has led to a heightened oversight of the sector's activity. This is especially true in the transfer of monies and accountability. Colombia also has a high degree of volunteerism and tradition of philanthropy. Data are not available for the exact numbers of nonprofit entities in the country or the dollar amounts donated. The Confederacion Colombiana de ONG (CCONG), or the Colombian Confederation of NGOs, lists 850 members through eight departmental federations. An updated list has been sent to the Council of 275 affiliates through the federation. It is expected these are some of the largest nonprofit organizations. The department of Antioquia has 120 federated foundations alone.

Grantmaking foundations are referred to *fundaciones de segundo piso* or "second floor" or "second story" foundations, referring to their added prestige and position in the Colombian sector (i.e. the higher the floor in the building, the more prestigious).

Colombians can deduct donations to nonprofit organizations from their taxes provided they are given a receipt for the donation and that it does not exceed 30 percent of their disposable income, or *renta liquida*. One must first subtract their housing, utilities, and transportation from gross income and the net amount is the *renta liquida*. Further, Colombia has been embroiled in two decades of civil war. In an effort to bring peace and harmony to the populace, Colombian law provides that certain nonprofit organizations which are sensitive to

the peace process (e.g. human rights, democracy, peace initiatives, higher education) may receive donations and give a tax deductible receipt for 150 percent of the amount donated. Due to civil unrest, distrust and a lack of education in the sector, individuals generally do not know how or where to donate.

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**Argentina**

Population: 42,192,494  
GDP (Billions USD): \$435.20  
GDP Growth: 8%  
PPP rank: 69  
Volunteering/Giving as a share of GDP: 2.39%  
Number of Public Charities:



There is no legal distinction in Argentina between a grantmaking foundation and other charities. Nevertheless, foundations are identified in the sector as independent grantmaking foundations if they are independent from the “*origen de sus recursos*” or source of income, are financed by income generation of the endowment, and are organized to charitable social ends. There are three types of independent foundations: family bequests, corporate bequests, and investment. Independent foundations are also identified as Operative, Non-operative, and Mixed. Operative foundations design, implement, and evaluate their own programs. Non-operative foundations support grants or individuals (grants to individuals are permitted under Argentine law, according to the Argentina Grupo de Fundaciones y Empresas [GDFE]). GDFE is an umbrella organization for grantmaking foundations (*fundaciones donantes*) in Argentina. There are currently 45 members. Mixed foundations both operate their own programs and finance other organizations.

According to a GIFE sector analysis in 2005, 34 of the 57 respondents, or 60 percent, in a survey reported being founded after 1990. Sixty-two percent are corporate foundations, 28 percent are independent foundations, and the remainder a combination of the two. Seventy-one percent of these foundations are found in the capital city of Buenos Aires with the remainder located primarily in the next three largest cities of Santa Fe, Rio Negro, and Cordoba. More than 43 percent operate nation-wide in Argentina, with a few that operate or fund in the U.S., Great Britain, and southern African nations. Argentine foundations are not limited to support programs within their own country. Approximately 60 percent of the foundations have alliances with NGOs, public institutions, other grantmaking foundations, or religious organizations.

Currently, GDFE member foundations do work under the following themes:

|                      |     |
|----------------------|-----|
| Education            | 86% |
| Development/Social   | 71% |
| Health               | 43% |
| Environment          | 36% |
| Third Sector         | 36% |
| Different Capacities | 29% |

|                                 |     |
|---------------------------------|-----|
| Emergency/Relief                | 29% |
| Other                           | 29% |
| Art and Culture                 | 21% |
| Science and Technology          | 21% |
| Corporate Social Responsibility | 21% |

The Kellogg foundation has funded projects including some operating costs for the GDFE foundation.

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## Peru

Population: 29,549,517

GDP (Billions USD): \$176.7

GDP Growth: 6.9%

GDP PPP: 110

Volunteering/Giving as a share of GDP: 0.32%

Number of Public Charities:

There are no data available for Peru. Attempts to engage in contact with areas of the sector have been fruitless. The entity Peru2021 (<http://www.peru2021.org/>) is a nonprofit dedicated to CSR and yet may be of assistance in the future, but thus far response has been lukewarm.




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## Chile

Population: 17,067,369

GDP (Billions USD): \$248.4

GDP Growth: 5.9%

GDP PPP rank per capita: 70

Volunteering/Giving as a share of GDP: 1.5%

Number of Public Charities:

Chile is slightly smaller than twice the size of Montana, and has the smallest population of the top six countries in this discussion. There are no data available for Chile, but it has an active civil society, especially so in sports and politics.



## Recruitment

In addition to Council Member foundations, these 13 non-member organizations based in the U.S. repeatedly made grants to Latin American causes:

### **Astraea Lesbian Foundation for Justice, Inc., The**

LGBT Rights (25 grants)

|                    |           |
|--------------------|-----------|
| Argentina          | \$26,842  |
| Belize             | \$2,361   |
| Bolivia            | \$6,380   |
| Chile              | \$39,392  |
| Colombia           | \$100,000 |
| Costa Rica         | \$14,300  |
| Dominican Republic | \$23,075  |
| Ecuador            | \$8,014   |
| Guatemala          | \$25,605  |
| Guyana             | \$4,000   |
| Mexico             | \$29,000  |
| Paraguay           | \$21,335  |
| Peru               | \$60,000  |
| Total:             | \$360,304 |

### **Koch Foundation, Inc.**

Religious/Catholic (89 grants)

|                    |             |
|--------------------|-------------|
| Argentina          | \$25,000    |
| Belize             | \$10,000    |
| Bahamas            | \$15,000    |
| Bolivia            | \$32,864    |
| Brazil             | \$181,000   |
| Chile              | \$100,000   |
| Costa Rica         | \$15,000    |
| Dominican Republic | \$30,000    |
| Ecuador            | \$75,000    |
| Grenada            | \$20,000    |
| Guatemala          | \$25,000    |
| Haiti              | \$299,000   |
| Honduras           | \$40,000    |
| Mexico             | \$155,000   |
| Paraguay           | \$5,000     |
| Peru               | \$265,482   |
| Total:             | \$1,293,346 |

### **Caterpillar Foundation**

Housing (4 grants)

|        |          |
|--------|----------|
| Brazil | \$80,000 |
|--------|----------|

|          |           |
|----------|-----------|
| Chile    | \$50,000  |
| Colombia | \$300,000 |
| Mexico   | \$30,000  |
| Total:   | \$460,000 |

### **Raskob Foundation for Catholic Activities, Inc.**

Religious/Catholic (17 grants)

|                    |           |
|--------------------|-----------|
| Bolivia            | \$38,000  |
| Brazil             | \$44,500  |
| Colombia           | \$15,000  |
| Chile              | \$50,000  |
| Dominican Republic | \$10,000  |
| Ecuador            | \$27,000  |
| Haiti              | \$21,106  |
| Honduras           | \$62,500  |
| Peru               | \$17,000  |
| Total:             | \$285,106 |

### **Tinker Foundation Inc.**

Latin American Policy and Democracy (24 grants)

Tinker works exclusively in LAC according to their website.

|            |             |
|------------|-------------|
| Argentina  | \$815,000   |
| Bolivia    | \$129,000   |
| Chile      | \$105,000   |
| Colombia   | \$41,000    |
| Costa Rica | \$158,000   |
| Ecuador    | \$300,000   |
| Honduras   | \$110,000   |
| Mexico     | \$137,000   |
| Peru       | \$572,000   |
| Venezuela  | \$22,000    |
| Total:     | \$2,389,000 |

### **NIKE Foundation**

Development (7 grants)

|          |             |
|----------|-------------|
| Brazil   | \$2,552,914 |
| Paraguay | \$1,080,446 |
| Total:   | \$3,633,384 |

**Blue Moon Fund, Inc.**

Environment (5 grants)

|            |           |
|------------|-----------|
| Bolivia    | \$126,500 |
| Costa Rica | \$121,500 |
| Ecuador    | \$37,500  |
| Peru       | \$320,000 |
| Total:     | \$605,500 |

**J Paul Getty Trust**

Higher Education (4 grants)

|           |           |
|-----------|-----------|
| Argentina | \$214,000 |
| Brazil    | \$248,000 |
| Colombia  | \$127,500 |
| Peru      | \$75,000  |
| Total:    | \$664,500 |

**Mellon Foundation, Andrew W., The**

Environment &amp; Higher Education (8 grants)

|           |           |
|-----------|-----------|
| Argentina | \$160,000 |
| Brazil    | \$54,000  |
| Colombia  | \$10,000  |
| Ecuador   | \$65,000  |
| Venezuela | \$24,000  |
| Total:    | \$313,000 |

**Lemelson Foundation, The**

Development (3 grants)

|        |             |
|--------|-------------|
| Chile  | \$1,016,604 |
| Peru   | \$86,801    |
| Total: | \$1,103,405 |

**EMPower**

Development, Human Rights (20 grants)

|           |           |
|-----------|-----------|
| Argentina | \$64,000  |
| Brazil    | \$439,000 |
| Colombia  | \$96,000  |
| Mexico    | \$155,000 |
| Peru      | \$74,000  |
| Total:    | \$828,000 |

**Omidyar Network Fund, Inc.**

Democracy (2 grants)

|      |             |
|------|-------------|
| Peru | \$5,631,563 |
|------|-------------|

**Skoll Foundation, The**

Environment, Education (3 grants)

|          |             |
|----------|-------------|
| Brazil   | \$765,000   |
| Colombia | \$400,000   |
| Total:   | \$1,165,000 |

**Conclusion and Recommendations**

The Council on Foundations is strongly represented in LAC grantmaking, both by U.S.- and foreign-based membership. Proactive programming of Council products and services tailored to the region may improve effectiveness in grantmaking and collaboration between members as there are strong mutual interests among them, both geographically and thematically. In offering LAC culturally specific webinars, conferences, publications, and training, the Council would be poised to strengthen membership and recruit new U.S.-based members who grant in the region. Furthermore, the Council would become the thought leader for partnerships among local grantmaking foundations and public-philanthropic partnerships among the more stable and progressive governments in the regions. Currently, the political and tax climate for the sector in many LAC countries is moderately or very difficult. The fact that not one country in the region has a national registry of nonprofit organizations indicates there is a lot of work to be done in government. The Council can guide local foundations in processes of advocacy and lobbying for the benefit of the sector. In time, lobbying efforts will affect local legislation more favorable to the sector and, hopefully, will result in the rise of more structured philanthropic organizations among the wealthier classes. Corporate social responsibility is leading the way in LAC philanthropy. The Council would benefit by targeting corporate foundations in the region as the leaders in advocating policy change.



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## Contacts

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### *Argentina*

GDFF

Carolina Langan, General Coordinator

mclangan@gdfe.org.ar

Buenos Aires

Sofia Rao is her colleague/assistant: srao@gdfe.org.ar

### *Brasil*

Daniela Nascimento Fainberg [daniela.fainberg@gmail.com]

Daniela Saraiva Santos

Program Manager – WINGS

São Paulo

dsantos@wingsweb.org

www.wingsweb.org

Tel: +5511 3078.7299

Skype: daniela.saraiva.santos

Instituto Geração

Elaine Smith

São Paulo

elainesmith@terra.com.br

+55 (11) 8122-9728

GIFE – Grupo de Institutos, Fundações e Empresas

Pamela Ribeiro, Knowledge Manager

Av. Brig. Faria Lima, 2.413 – 1o andar

01452-000 – São Paulo – SP

Tel./Fax: (55-11) 3816-1209

www.gife.org.br

### *Colombia*

Claire Philippoteaux

Asesora de Cooperación Científica

Dirección de Relaciones Internacionales

Universidad de Antioquia

Calle 70 No. 52-72 Of.608

Edificio de Extensión

Medellín

Tel: +57 4 2198211

Fax: +57 4 2195212

www.udea.edu.co

Adriana Ma. Garcia Ramirez  
Coordinadora de Comunicaciones  
Federacion Antioquena de ONG – FAONG  
[comunicaciones@faong.org](mailto:comunicaciones@faong.org)  
Calle 51 No. 55 – 84, Tercer Piso  
Medellín  
Tel: +57 4 2514214 – 231741 -2517274  
Cel: 300-465-7558

### *Mexico*

Lourdes Sanz Moguel  
Directora de Filantropía, Efectividad y Servicios  
Centro Mexicano para la Filantropía, A.C.  
Mexico D.F.  
( +52 (55) 5276 8530, e. 106, 7 +52 (55) 5515 5448  
[www.cemefi.org](http://www.cemefi.org)  
[lourdes.sanz@cemefi.org](mailto:lourdes.sanz@cemefi.org)

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<sup>i</sup> In the U.S., which is the most unequal of the developed nations, the ratio is 9:1.

<sup>ii</sup> A nation's GDP at purchasing power parity (PPP) exchange rates is the sum value of all goods and services produced in the country valued at prices prevailing in the United States.

<sup>iii</sup> Email exchange and telephone calls with: Claire Philippoteaux, May-July, 2012.